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BY THE COMPTROLLER GENERAL

Report To The Congress

OF THE UNITED STATES

ORIGINAL

River Basin Commissions Have Been Helpful, But Changes Are Needed

River basin commissions, established by the Water Resources Planning Act of 1965, have made meaningful contributions toward enhancing regional water resource planning and development, but they have not been accepted by many States and have fallen short of meeting some of their legislative objectives.

However, the Department of the Interior, concluding that commissions do not perform any function or provide a service that States are not able to accomplish themselves, has requested no funds for river basin commission operations for fiscal year 1982.

If the Congress desires to retain an organization to coordinate interstate water issues and provide guidance on other broad matters, river basin commissions seem worthwhile. If river basin commissions are expected to carry out their existing legislative mandate, congressional action is needed to ensure continued State participation and regional water resource planning input into Federal agencies' budget submissions.

CED-81-69

MAY 28, 1981

COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON D.C. 20548

B-196672

To the President of the Senate and the
Speaker of the House of Representatives

This report discusses how successful river basin commissions, established by the Water Resources Planning Act of 1965, have been in meeting their legislative objectives of planning and coordinating water resource development. The report includes recommendations to the Congress if it desires water resource planning coordinated through a river basin commission type of arrangement with continued State participation.

The administration, in its fiscal year 1982 budget revisions, requested no funds for river basin commissions, except for $1 million to complete the Upper Mississippi River Master Plan required by Public Law 95-502. We believe that this report is particularly relevant to current discussions by the Congress and the executive branch over the river basin commissions' future funding.

We are sending copies of the report to appropriate House and Senate committees; the Director, Office of Management and Budget; the Secretaries of the Interior and the Army; the Acting Director, Water Resources Council; and officials of the six river basin commissions. We will also make copies available to interested organizations as appropriate and to others on request.

Milton J. Socolar

Acting Comptroller General
of the United States

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COMPTROLLER GENERAL'S
REPORT TO THE CONGRESS

RIVER BASIN COMMISSIONS HAVE BEEN HELPFUL, BUT CHANGES ARE NEEDED

D I G E S T

River basin planning should match the needs of water users with the amount of water available irrespective of State boundaries or Federal agency responsibilities. The river basin commissions as they are now operating do not accomplish optimum planning. While the commissions have provided a forum for Federal and State members to exchange views and have assisted States in various water studies, they have fallen short of meeting some of their legislative objectives.

GAO believes the concept of river basin planning is sound, but congressional action is needed if the commissions are to be more successful in meeting some of their legislative objectives. Legislative changes are needed to ensure continued State participation and regional water resources planning input into Federal agencies' budget submissions.

River basin commissions, which were established by the Water Resources Planning Act of 1965 and spend $3 million annually, make meaningful contributions toward enhancing water resource planning and development. Their efforts include

--providing a forum for communication between States and other parties (see p. 10),

--coordinating interstate river basin studies (see p. 11), and

--providing guidance and assistance on other water issues (see p. 12).

However, they have not become the principal coordinators of water resource projects as intended--preparing up-to-date, comprehensive, coordinated, joint water plans and meaningful long-range schedules of water resources priorities. (See pp. 12-19.)

The Federal and State members who make up the six river basin commissions do not use their collective authority to carry out commission objectives. It is up to the individual States and Federal agencies to cooperate with and assist the commissions in preparing meaningful plans and establishing priorities. The law gives the commission chairmen little authority, commission membership is voluntary, and incentive for membership is minimal. (See pp. 19-21.)

Federal agencies spend over $200 million annually for water resource planning. In addition, the Federal Government grants State agencies about $2.5 million annually on a matching basis to enhance planning for intrastate and interstate water resources. Much of this planning is done without direct involvement by river basin commissions. Federal and State agencies do not view the commissions as having authority to prepare coordinated plans or establish priorities which supersede those of existing agencies and have no commitment to conform to commission agreements. River basin commissions agree that authority is lacking, and Federal and State water plans/programs continue to be prepared independently of commission influence. Also, less than half the Nation is under the umbrella of the six river basin commissions. (See pp. 3-7.)

The success of the river basin commission concept depends on the cooperation of State and Federal members. Given the importance of water to the health and economy of the States, perhaps 15 years is a relatively short time to gain the confidence in each other that true cooperation requires. However, State and Federal agencies have supported the commissions as coordinators and assistance bodies, and worthwhile accomplishments have resulted.

CONCLUSIONS

GAO believes that river basin commissions have the opportunity to be more successful in planning and coordinating water development, but changes are needed. Changes need to (1) provide broad water resource planning input and ensure continued State participation and (2) encourage more participation in resolving regional and national water resource problems.

Title II of the Water Resource Planning Act which provides for the establishment of river basin commissions has been relatively ineffective in optimizing expenditures of Federal funds for water use and development. Less than half of the Nation is organized into river basin commissions; none has ever produced a meaningful, coordinated, comprehensive joint plan. The priorities do not portray the urgent needs of the regions; and, at best, commissions provide a limited degree of coordination. The main reason that the commissions have not met these objectives is that the States and Federal members have chosen not to use their collective authority.

RECOMMENDATIONS TO THE CONGRESS

If the Congress desires national water resource planning through a river basin commission type of arrangement with continued State participation, it should amend the Water Resources Planning Act of 1965 to require State membership in river basin commissions or other regional arrangements prior to granting the States Federal water planning assistance funds.

To encourage more participation in resolving regional and national water resource problems, the Congress should amend the act to require that information regarding priorities established by the river basin commissions or other regional planning arrangements be included in the appropriate Federal agencies' annual budget submissions to the Congress. This information should discuss the relative priority of each project with all other water projects within the commission's or other regional arrangement's jurisdiction and be required before major water projects are authorized.

AGENCY COMMENTS AND GAO EVALUATION

Most of the agencies generally agreed with GAO's overall assessment of the river basin commissions' operations and supported the recommendations. Some comments expressed concern that GAO had not recognized recent efforts by the Water Resources Council and the commissions to improve the quality of water resources planning activities. GAO now recognizes some of these efforts and believes they are a step in the right direction. However, they will have a limited impact as long as

commission members do not use their collective authority to meet their legislative objectives.

Several comments which served to strengthen the report and clarify key issues were incorporated into the report.

The Department of the Interior disagreed with GAO's assessment. The Department stated that it has studied the commissions' statutory purpose and objectives and performance and concluded that they do not perform any function or provide a service the States are not able to accomplish themselves. Therefore, the administration is requesting no funds for river basin commissions operations for fiscal year 1982. (See p. 27.)

GAO does not agree with Interior's position that the commissions do not perform any function or service that the States cannot accomplish themselves. As discussed on pages 10 through 12, commissions are providing a coordination and special study role that has been welcomed by their State members. If the Congress desires to retain an organization to coordinate interstate water issues and provide guidance on broad issues such as groundwater utilization, river basin commissions seem worthwhile. (See p. 27.)

Interior's comments and comments from the Department of the Army, the Environmental Protection Agency, and five of the six river basin commissions are summarized on pages 25 to 27 and included in their entirety with GAO responses in appendixes I to IX. The Ohio River Basin Commission did not comment.

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ABBREVIATIONS

CCJP	comprehensive, coordinated joint plan
EPA	Environmental Protection Agency
GAO	General Accounting Office
OMB	Office of Management and Budget
WRC	Water Resources Council

CHAPTER 1

INTRODUCTION

The Federal Government has recognized that water resource planning and development is important to fulfilling many national interests. Although water resource planning and development has been pursued at the national level for more than 75 years, the issues constraining these efforts remain essentially unchanged. Among the principal issues are the desire of States to retain water planning and development responsibilities, and the reluctance of Federal agencies on one hand and the Congress on the other to relinquish their water planning and development authorities.

The passage of the Water Resources Planning Act of 1965 is the most recent effort to optimize expenditures for developing the Nation's natural resources through the coordinated planning of water and related resources. This was to be accomplished by a national Water Resources Council (WRC), regionally based river basin commissions, and financial grant assistance to the States to increase their participation in water planning.

NATIONAL EFFORTS TO COORDINATE WATER PLANNING

A new era in Federal water resource planning and development began following the election of Theodore Roosevelt in 1901. Study and planning commissions were established, the planning role of the U.S. Army Corps of Engineers was extended, and efforts to coordinate Federal planning were initiated.

In 1907, on the occasion of the establishment of the Inland Waterways Commission, President Roosevelt stated:

> "* * * While the rights of * * * people * * * must be respected, the time has come for merging local projects and uses of the inland waters in a comprehensive plan designed for the benefit of the entire country." (Underscoring added.)

Although the legislation authorizing the Inland Waterways Commission was repealed in 1920, the seed of comprehensive planning and coordination had been planted.

Another significant coordination and planning effort occurred in 1932 when President Hoover, by Executive order, attempted to transfer the rivers and harbors and flood control works of the Corps of Engineers and other water and river commissions to the Department of the Interior. The Congress opposed the order, and it was withdrawn the following year.

The period from 1933 to 1943 was marked by a flurry of activity in the area of water resources planning. Organizations that began and concluded operations during this time were the

National Planning Board (1933-34), the National Resources Board (1934-35), the National Resources Committee (1935-39), and the National Resources Planning Board (1939-43). These organizations were involved with the development of multipurpose river basin plans and the analysis of river basin problems. All had short lives.

In 1939 the first step toward Federal coordination resulted from a "tripartite agreement" between the Army Chief of Engineers, the Commissioner of Reclamation, and the Department of Agriculture. This agreement provided for consultation among these agencies in the preparation of river basin surveys. This agreement, which subsequently included the Federal Power Commission, permitted member agencies to cooperate more fully in preparing reports on multiple-purpose projects. The Department of Commerce became part of the agreement in 1946 and the Federal Security Agency in 1950. This body was designated as the Federal Interagency River Basin Committee. Its ability to coordinate agency programs was limited by lack of authority, and its role was chiefly advisory. Implementation of its proposals depended upon the voluntary cooperation of the member agencies. (The committee was dissolved in 1954.)

Efforts to intensify comprehensive water resource planning continued after World War II. Regional interagency committees were established from 1945 to 1950. Included were the Missouri, the Columbia, the Pacific Southwest, the Arkansas-White-Red, and the New York-New England basins.

The regional committees were not able to achieve integrated river basin plans. Again, limited authority coupled with interagency differences made it difficult for them to resolve water issues. Also, the committees had no staffs and their relations with State and local governments were informal. Perhaps the most notable achievement of these regional interagency committees of the 1940s and early 1950s was the forum for intercommunication among the planning agencies.

In 1959 a Senate Select Committee on Water Resources was established. The committee made five broad recommendations, including that (1) the Federal Government, in cooperation with the States, prepare comprehensive water development and management plans for all major river basins in the country and (2) the Government encourage the States to participate more actively in planning and implementing water development and management activities. The select committee also considered reorganizing and consolidating Federal water resource agencies. While the committee favored reducing the number of agencies, it was not convinced that a new consolidated water agency would be better. Although the committee made no legislative proposals, its efforts were later translated into two major acts, including the Water Resources Planning Act of 1965 (Public Law 89-80).

The Water Resources Planning Act of 1965

After more than half a century of efforts to obtain national water planning legislation, the Water Resources Planning Act of 1965 became law on July 22, 1965. The act's purpose was to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources. The act provided for a national Water Resources Council, regionally based river basin commissions, and financial assistance to the States to enhance water planning at that level. A summary of each activity follows.

U.S. Water Resources Council

Title I of the Water Resources Act, as amended, established a Water Resources Council consisting of the Secretaries of the Interior, Agriculture, the Army, Housing and Urban Development, and Transportation, the Administrator of the Environmental Protection Agency (EPA), and the Chairman of the Federal Power Commission. 1/ The Chairman of WRC is designated by the President and has the responsibility to:

--Maintain a continuing study and prepare an assessment biennially, or at such less frequent intervals as the Council may determine, of the adequacy of supplies of water necessary to meet the water requirements in each water resource region in the United States and the national interest therein.

--Maintain a continuing study of the relation of regional or river basin plans and programs to the requirements of larger regions of the Nation and of the adequacy of administrative and statutory means for the coordination of the water and related land resources policies and programs to meet such requirements; and it shall make recommendations to the President with respect to Federal policies and programs.

To implement its statutory mandate, WRC funding has gradually increased from $750,000 in 1965 to about $2 million in 1980.

River basin commissions

Under title II of the act the President can establish river basin commissions upon written request either by WRC or by a State which lies in whole or in part within the proposed river

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1/The Commission was terminated and many of its functions assigned to the Federal Energy Regulatory Commission, an independent commission within the Department of Energy by the Department of Energy Organization Act, effective October 1, 1977.

basin area. Written concurrence with the request must be made by a designated number of the States affected as well as WRC. Each commission shall:

--Serve as the principal agency for the coordination of Federal, State, interstate, local, and nongovernmental plans for the development of water and related land resources.

--Prepare and keep up to date a comprehensive, coordinated joint plan for Federal, State, interstate, local, and nongovernmental development of water and related resources.

--Recommend a long-range schedule of priorities for the collection and analysis of basic data and for the investigation, planning, and construction of projects.

--Foster and undertake such studies that are essential to prepare for the comprehensive plans noted above.

Under the 1965 act six river basin commissions have been organized, all located in the northern part of the country. (See map on p. 5.) Federal funding to meet operational costs of each commission has averaged about $500,000 annually, which represents about 75-80 percent of a commission's total budget.

The approach developed by the New England River Basin Commission to meet this legislative mandate illustrates the commissions' role in water resource planning. The commission uses a hydrological unit 1/ approach to develop its comprehensive, coordinated joint plan (CCJP). River basin overview studies constitute a profile of the major problems and issues for each of the region's 28 river basins and lead to either a management study or a more comprehensive study known as a level B study. Region-wide problems, identified by overviews or other means, are addressed by special studies. The priorities process considers proposed projects of Federal agencies and recommends an order of funding. Collectively, the above studies and priorities process constitutes, in the opinion of the commission staff, a CCJP.

State water planning assistance

Title III of the act provides financial aid for comprehensive water resource planning on a matching basis to all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam. Each State is granted about $50,000 annually under this program. The program is designed to enhance State water planning for intrastate as well as interstate water resources. Title III also

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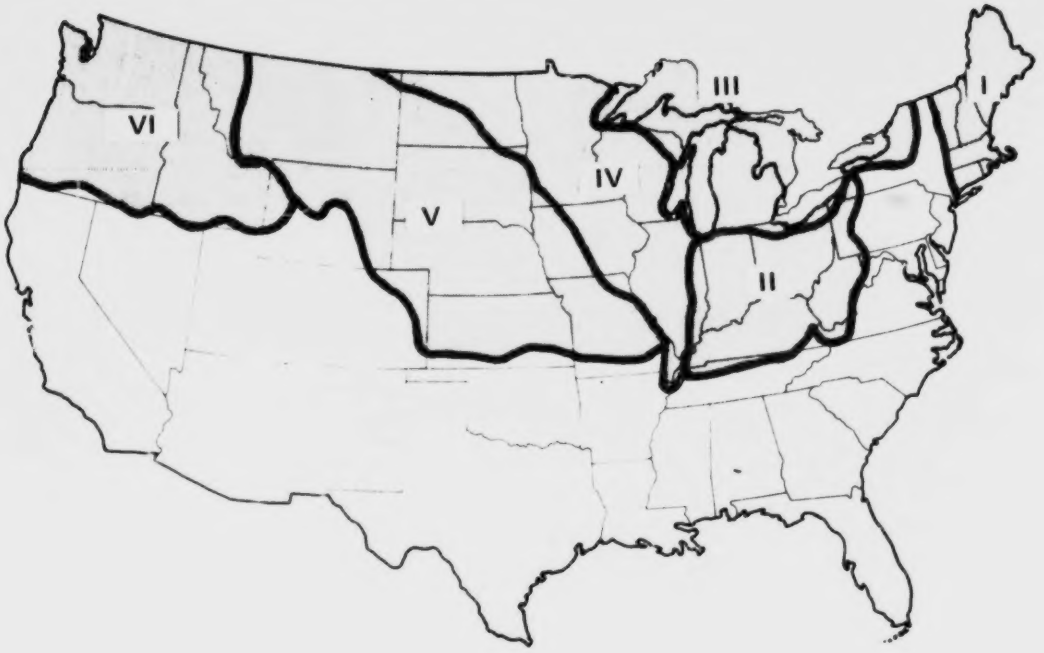
1/A hydrological unit is all the land area from which water drains into a river.

RIVER BASIN COMMISSIONS
PURSUANT TO PUBLIC LAW 89-80



I NEW ENGLAND
II OHIO
III GREAT LAKES
IV UPPER MISSISSIPPI
V MISSOURI
VI PACIFIC NORTHWEST

includes a provision for coordination with all Federal, State, and local agencies having responsibilities in water and related land resources. WRC has review and approval responsibility for title III.

EXISTING SYSTEM FOR FEDERALLY FUNDING WATER PROGRAMS/PROJECTS

Water resource programs and projects have traditionally been the combined responsibility of local, State, and Federal governments. Projects range from local water supply and sewage systems to State environmental projects to federally sponsored dams and dikes. State water planners are organized to consider local plans and needs and interface these plans with the Federal Government. For each functional area--such as town wastewater treatment, flood control, etc.--a separate department is usually formed at the local level to interface with its State counterparts. State plans are submitted to the respective Federal agency. The process continues with the President's Office of Management and Budget (OMB) and the Congress--through committees and subcommittees--having a vested interest in each of the issues noted. For example, OMB is organized to consider water quality and quantity programs separately, reflecting a logical extension of Federal agency issues. OMB's water quantity section considers the needs of the Water and Power Resources Service and the Corps of Engineers, while the water quality section is concerned with the needs of EPA and the Council on Environmental Quality. The Senate and House public works and appropriations committees are likewise divided into subcommittees which specialize in functional areas. Thus, a proposed environmental project--on water quality, for example--is always reviewed by people who are primarily concerned with environmental issues, and the project generally is not competing with projects in other functional areas.

The introduction of river basin commissions as principal coordinators, comprehensive planners, and priority setters is philosophically different from the system described above. They differ principally because the river basin commission concept theoretically considers projects on a regional and eventually a national planning basis, while the existing funding system considers each project in its own functional area of need, such as wastewater treatment, water supply, etc.

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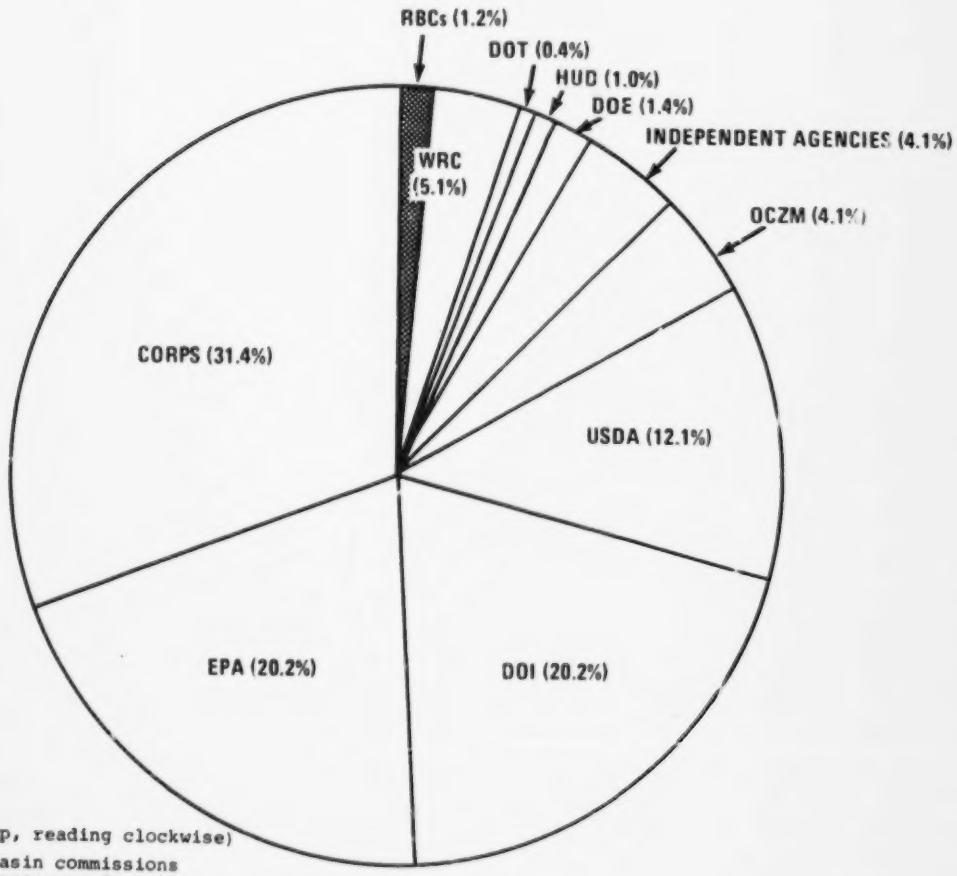
On March 10, 1981, the administration, in its fiscal year 1982 budget revisions, proposed to eliminate funding for the Water Resources Council, including State planning grants and river basin commissions. According to the Deputy Assistant Secretary of the Interior, the current administration has reviewed and evaluated the statutory purpose and objectives and performance of the river basin commissions over the past several years and concluded that they do not perform any function or provide a service the States are not able to accomplish themselves.

FEDERAL FUNDS APPROPRIATED FOR WATER RESOURCES PLANNING* FY 1979
(est. $250 million total)



KEY: (from top, reading clockwise)

RCBs - river basin commissions
WRC - Water Resources Council
DOT - Department of Transportation
HUD - Department of Housing and Urban Development
DOE - Department of Energy
OCZM - Office of Coastal Zone Management
USDA - Department of Agriculture
DOI - Department of the Interior
EPA - Environmental Protection Agency
CORPS- Army Corps of Engineers

* NOT SPECIFIC PROJECT RELATED

OBJECTIVE, SCOPE, AND METHODOLOGY

Our water resources audit activities include reviewing basinwide Federal and State planning systems to determine if one planning mechanism and technique for solving national and regional water problems is most effective. In our report entitled "Colorado River Basin Water Problems: How to Reduce Their Impact" (CED-79-11, May 4, 1979), we identified a need for a basinwide management organization to effectively manage the basin's water resources. We have reviewed the two river basin commissions established by Federal-interstate compacts. This report reviews three of the six river basin commissions--New England, Upper Mississippi, and Pacific Northwest--established under title II of the Water Resources Planning Act. We selected these three to provide a wide geographic coverage.

Our objective was to determine whether river basin commissions have been effective in optimizing the development of the Nation's natural resources through coordinated planning. To accomplish this objective, we met with State, Federal, interstate, and nongovernment representatives having cognizance over water resource planning and development.

At the Federal level, we met with representatives from WRC, EPA, and the Departments of the Interior, Agriculture, Housing and Urban Development, and the Army Corps of Engineers. We also talked with representatives of OMB and with Senate and House subcommittee staffs. Our purpose was to obtain their views on river basin commissions' roles and responsibilities, how they are being carried out, and to identify any needed changes in water resources planning.

At the New England River Basins Commission we met with the chairman, various commission staff members, and the Federal and State members. We reviewed commission efforts on Lake Champlain, and the Connecticut, Kennebec, and Merrimack Rivers. We visited Federal, State, regional, and other officials involved with water resource planning on the above four hydrological units. We reviewed the commission's attempts to develop a comprehensive, coordinated joint plan; its annual priorities report; and its efforts to act as the principal water resource coordinator.

In evaluating the Upper Mississippi River Basin Commission, we reviewed the reports of various planning exercises and studies published by the commission, as well as the methodology for these efforts. These documents included the drafts of subregion basin plans that are being done as part of the commission's overall CCJP; special study reports, called level B studies; and annual priorities reports. The commission is also preparing a comprehensive master plan for the management of the Upper Mississippi River system. This master plan, mandated by title I of Public Law 95-502, is to be submitted to the Congress no later than January 1, 1982. At the time we were doing our field work in early 1980, no plan had been produced, and we were therefore unable to evaluate

it. To the extent available, we also reviewed State water plans and the water plans of the various Federal, State, and interstate agencies. In addition, we reviewed their annual reports. During the course of the review, we interviewed numerous officials from various Federal, State, interstate, and local governmental agencies and the private sector. These included the commission's present and past chairmen and its staff members.

At the Pacific Northwest River Basin Commission we met with the chairman and the members. Additionally, we interviewed numerous officials of Federal, State, and private agencies concerned with water resource planning. We evaluated the commission's efforts on the Willamette and Yakima River basins. We also reviewed the commission's draft CCJP, annual priorities reports, and annual reports.

CHAPTER 2

RIVER BASIN COMMISSIONS FACILITATE COORDINATION BUT HAVE NOT ACHIEVED ALL OF THEIR LEGISLATIVE OBJECTIVES

While river basin commissions do contribute to water resource planning, they have not achieved all of their legislative objectives to serve as principal coordinators, comprehensive planners, and/or priority setters. The commissions have fallen short of these goals because Federal and State members do not desire to use their collective authority to carry out the mandate. Instead, Federal and State members prefer to plan and fund water projects in the traditional manner. (See p. 6.) Cognizant agencies are not always represented on the commissions nor do the agencies always send representatives to commission meetings that can speak for them. In addition, the law gives commission chairmen little authority; since commission membership is voluntary, less than half the Nation belongs; and the concept offers only minimal monetary incentives. As a result, Federal and State water plans/programs continue to be compiled without significant river basin commission influence.

RIVER BASIN COMMISSIONS ARE MAKING CONTRIBUTIONS TO WATER RESOURCE PLANNING

River basin commissions, which spend about $3 million annually, are making meaningful contributions toward enhancing water resource planning and development. They

--provide a forum for communication between States, Federal agencies, and other parties;

--coordinate interstate river basin studies; and

--provide guidance and assistance on other water issues.

Forum for communication

River basin commissions provide a setting in which State and Federal water resource agencies can meet and discuss their own and mutual needs and interests. State and Federal members consistently cite the need for and benefits of the communication forum provided by their membership.

The Pacific Northwest Commission members believe the primary value of the commission has been in providing an exchange of information between State and Federal agencies. This exchange helps them coordinate planning among themselves. For example, Washington State uses the commission as an information source and an avenue for discussions with Federal agencies. The regional administrator,

EPA, said the Pacific Northwest Commission provides information for planning, provides contacts, and enhances personal relationships. Upper Mississippi Commission members also said their commission provides a forum where State and Federal agencies can get together to discuss mutual problems. New England States likewise value the communication forum provided by their commission memberships. For instance, Vermont believes the commission serves a necessary role in providing an opportunity to interact with other States and Federal agencies; Maine and other States voiced similar views.

Coordinating Federal/State action

River basin commissions can bring Federal and State members together to study and plan for problem solutions the members cannot approach or solve alone. By the use of field staff the commissions can monitor program/project progress and assist implementation. Of the three commissions we visited, only the New England Commission demonstrated these abilities. The Lake Champlain study--with its implementation program monitored by commission staff members--is a solid example of the commission's ability to coordinate Federal/State action.

In this case, the commission, at Vermont's request, conducted a study addressing the issues of water quality, related land use, and associated institutional factors in the Lake Champlain basin. State agencies of both New York and Vermont agreed on what needed to be done but did not have the resources to address the issues. The implementation program outlined a course of action for Vermont and New York together with the Soil Conservation Service, the Corps of Engineers, and EPA. The New England Commission is funding a field office in Burlington, Vermont, to monitor and assist implementation of the interagency/interstate program. Commission field office staff said their role is to convince the States and Federal agencies to incorporate the implementation program in their budgetary and program decisions.

Another example from New England illustrates how commissions can provide coordination. The State of Massachusetts, to meet future water needs, attempted to divert water from the Connecticut River. New Hampshire, Vermont, and Connecticut opposed the diversion. While the issue is still unresolved, representatives of the States involved and the Corps--which represents the only source of Federal funds for the diversion--credit the commission with coordinating interstate and Federal attempts to reach a mutually beneficial solution. One proposal recommends Federal funding for repair and replacement of water pipes which currently lose significant amounts of water. This proposal and others are contained in a commission policy statement on the Connecticut River diversion issue and may help alleviate the problem.

Guidance and assistance on water issues

Commissions can provide guidance and assistance on emerging water issues or those which are not met through existing Federal, State, and local programs. Members, States in particular, support and benefit from these efforts. Again, the New England River Basins Commission demonstrated the ability to provide assistance. For example, commission efforts in studying flood plain management have been extensively used by Connecticut and Maine water resource planners. Additionally, the commission is trying to overcome existing cost sharing and procedural obstacles which prevent the Corps of Engineers and Soil Conservation Service from implementing nonstructural approaches to flood plain management.

Another example of guidance and assistance is the New England Commission's work in the area of groundwater. This issue is coming to the forefront as New England towns face declining sources and quality of available groundwater. The commission sponsored a conference on the subject which attracted more than 300 participants. Other examples of commission assistance include studies in water conservation, water-related energy matters, and coastal zone management.

RIVER BASIN COMMISSIONS HAVE NOT ACHIEVED ALL OF THEIR LEGISLATIVE OBJECTIVES

In our opinion, none of the river basin commissions included in our review has served as a principal planning coordinator or developed a CCJP or a schedule of priorities which was either complete or useful. Reasons cited by other studies, water resource officials, and commission staff and members include the need for authority and the lack of guidance and direction from WRC. Commission members are satisfied with the Federal/State relationships for water resource planning and development which were in place prior to 1965 and have remained in effect despite the existence of the river basin commissions.

Coordination

River basin commissions have not emerged as the principal coordinators of Federal, State, interstate, local, and nongovernmental plans for the development of water and related land resources. State and Federal members do not want or view the commissions as principal coordinators, Federal agencies continue to control the water planning and development purse strings, and States continue to cling to this traditional source of financial support.

State perspective

In the 20 States visited, water planners told us they do not view the commissions as the primary coordinators of water resource plans or the primary coordinators of Federal agency activities.

States continue to cling to the traditional way of obtaining Federal funds. For example, State environmental projects are funded through the Federal agency without regard for activities of other States or Federal agencies. State planners said that water planning has traditionally been done with little regard for interstate or regional concerns. They dislike regional influence on intrastate projects and believe they have the knowledge to identify alternatives and priorities and influence decisions relating to water issues. As previously noted, States consider commissions as a forum for the exchange of information, a source of needed data, and a vehicle to conduct supporting studies. State commitment to water resource planning varies. The conduct of intrastate water resource planning has always been a State function, and State water resource managers are insistent that it continue. They emphasize that commissions can assist but not direct their coordinating activities.

For example, officials in the Maine State Planning Office said that water planning can be capably handled by the States. They believe that river basin commissions should serve as a forum for State interests and should coordinate interstate issues either directly or through special studies. New Hampshire officials in the State Planning Office believe that the commissions would be more effective as coordinators of existing agency planning rather than as initiators of such efforts.

State officials in other areas of the Nation also agreed that individual State water requirements take precedence over those agreed on collectively in river basin commissions. For example, the chairman of the Minnesota Water Planning Board stated that Minnesota is interested in river basin commission activities to the extent that they benefit the State.

State members of the Pacific Northwest River Basin Commission have been unhappy with the commission's activism and planning efforts and have moved to limit its independent planning and coordinating efforts. Oregon officials said coordination with Federal agencies is not accomplished through the commission, and Oregon, Washington, and Idaho pursue planning outside the commission. The chairman of the Pacific Northwest Commission said he needs statutory authority to effect coordination because State and Federal members (1) view commission coordinating efforts as informal and/or (2) as a result of prior experiences, look upon the Corps as the principal coordinator.

Federal perspective

Federal agencies do not view river basin commissions as principal coordinators or as having authority to prepare coordinated plans or establish priorities which supersede those prepared by the Federal agencies. Planning leading to decisions about protection, development, and management of water and related land resources continues without direct coordination by river basin commissions. While the agencies do not question the authority of

the commissions to prepare coordinated plans, they do not believe the commissions' plans control Federal agency actions. Instead, the agencies see their authority stemming from the Congress with the commissions serving merely as an information focal point. They point out that section 3(a) of the 1965 act stipulates that nothing in the act will diminish this existing authority.

To implement their legislative mandates, Federal agencies and bureaus spend more than $200 million annually for water resource planning and continue to control the water planning and development purse strings with little regard for river basin commission influence. The following examples illustrate this point.

U.S. Army Corps of Engineers. The Corps annually spends about $78 million in planning water resource projects. In three Corps divisions where we reviewed river basin commissions, projects generally originate within the Corps or from an outside sponsor and are not coordinated with river basin commissions. Planning and priority control over these projects rest with the Corps, even though some of the projects may be listed in commission priority documents.

The Chief of the Planning Division, New England Division, Corps of Engineers, stated that the commissions are useful as forums for water planning agencies and serve as coordinating vehicles for Federal and State programs. Another official in the New England Division said that the commissions' priorities reports have limited value and do not reflect a coordinated position. For example, the impact of a priorities report or any other study depends on Federal agency support for the individual studies and projects. Highly rated projects may not be funded unless adopted by an agency as one of its priorities. Similarly, low-ranked projects may be funded first if they reflect the priorities of individual agencies. For example, in the Corps' New England Division's tentative 1980 priorities list, 50 specific projects or studies were listed. Only 10 of these, however, appeared on the New England River Basin Commission's priorities report. If a project is given a low priority by the commission or is not listed at all, it can still be funded because about 50 percent of the Corps' New England projects are usually congressionally sponsored and require no commission coordination. Also, controversial projects, such as the Dickey-Lincoln Dam in Maine--a proposed multipurpose project with many economic and environmental issues--are often not evident on any commission priorities reports although the Corps supports the projects.

Other Corps divisions have not fully accepted or coordinated commission studies or projects. For example, according to a commission officer, the St. Louis District Corps of Engineers accepted one Upper Mississippi Commission study in principle. The study recommended a "non-structural," or non-construction solution, but the Corps did not want it designated as one of its projects because no other alternatives had been examined.

The division engineer in the Corps' Pacific Northwest Division said that the local river basin commission does not have authority to direct the Corps and is not involved in the Corps' funding process. Identification of needed projects is done in conjunction with local governments, and projects are not coordinated with the river basin commission.

Environmental Protection Agency. EPA annually spends more than $50 million in State water quality planning grants and about $4 billion in grants to municipalities for treatment plant construction purposes. Individual projects within these programs are not coordinated by river basin commissions and are not ranked individually in commission priorities reports.

An official in EPA's New England region said that priorities for the EPA projects are set internally after proposals are received from States and are not coordinated with the river basin commission. The entire EPA program is ranked as one line item in the New England River Basins Commission's priorities report, and the report is therefore of little or no value to EPA or other planners.

The river basin commission coordinator in EPA's Chicago region also told us that EPA programs are not influenced by the local river basin commission. According to this official, there is little hope that EPA would adopt closer cooperative practices in the future because its mandate for water quality planning is more significant than the other issues which river basin commissions must consider.

EPA's representative to the Pacific Northwest River Basin Commission said that EPA is not very actively involved with the commission and has no need to coordinate with it because the commission--in EPA's view--does not deal with issues relevant to EPA concerns. An official on the Pacific Northwest Commission agreed that EPA's involvement in commission coordination activities has been considerably less than other agencies. The EPA regional administrator said that the agency would become more active in the commission if it were more involved with issues that were relevant to EPA.

Commissions have not developed useful comprehensive, coordinated joint plans

River basin commissions have not developed useful CCJPs. The CCJP concept is poorly defined and Federal and State members give limited support because they question the need for such a document. CCJPs are a source of frustration and embarrassment to commissions since their criteria and use have not been established.

The concept lacks definition

Although the act provides for river basin commissions to prepare comprehensive, coordinated joint plans, several unanswered

questions still exist after more than 15 years. These questions include:

--What do CCJPs represent?

--When should they be prepared?

--Who will use them?

--How will they be used?

Several times over the past 10 years, WRC has drafted and proposed guidelines and procedures for water planning, but they were not adopted by the commissions. States were opposed on the grounds that WRC has no authority over State participation and therefore does not have the authority to issue binding rules and regulations. As a result, considerable confusion remains, and each commission has devised its own definition of and methodology for developing a CCJP.

Members do not support CCJP effort

The State and Federal members of river basin commissions give little support to the CCJP effort and concept. Members question the need for CCJPs.

The New England River Basins Commission's CCJP is based principally on a combination of different level regional or river basin studies, plans, and overviews. To date it has not been formalized into one plan. Overviews are planned for each river basin and may lead to a management plan or river basin level study (level B study). Because of the States' parochial view, many studies, plans, and overviews were rejected or suggested projects were not funded. Three examples follow.

--Connecticut River: The Connecticut River Basin Plan, adopted by the commission in 1972, is not used in the budgetary process of either the States or Federal agencies. The staff official assigned to the Connecticut River said it is a delusion to think the commission, without the full and active support of its members, could implement the plan.

--Merrimack River: The commission staff believe a level B study was needed to optimally match the users of the water with the amount of water the Merrimack can provide. Massachusetts and New Hampshire do not want their interests impartially evaluated by the river basin commission. Therefore, there are no plans to develop either a management or level B study for the Merrimack River.

--Kennebec River: A commission official said that Maine, using title III funds, should develop a management plan based on the findings of the Kennebec overview. Maine will not commit title III or any other funds for this effort. Therefore, no management plan is anticipated.

While other commissions have taken different approaches in developing CCJPs, they also do not have the support of their members. The Upper Mississippi River Basin Commission after 8 years had a draft CCJP based on 17 subregion plans. The draft was produced by the commission staff with little input from commission members. The Pacific Northwest Commission adopted an approach for dealing with the region as a whole and with the States on an individual basis. At the time of our field work, the CCJP was being considered by the commission members for approval. An Oregon water planning official said the CCJP was worthless, did not serve any purpose, and should have been more definitive with strong recommendations.

Similarly, the utility of CCJPs is questioned at the national level. Federal agency officials at the headquarters level advised us that CCJPs are not useful planning documents. OMB officials commented that CCJPs varied too much in scope and format to be useful from a national perspective.

River basin commissions have not developed meaningful long-range schedules of priorities

While the act gives river basin commissions the responsibility to recommend a long-range schedule of priorities, it does not specify the form of or recipient of this information. Commissions try to meet this responsibility by developing reports which rank studies and projects. The reports developed to date are not compatible with the Federal funding process and have not had significant impact upon the decisionmaking process. This priorities process is not working because Federal and State agencies have no commitment to conform to river basin commission priorities. As a result, commission priorities reports are no more than a list of studies and projects which do not portray urgent needs of the regions.

Regulations have not been clearly established

Rules and regulations to meet the priority-setting requirements were never adopted nor were guidelines and procedures proposed by WRC. Commission attempts at procedural or format requirements to allow priorities evaluation and integration on a national level have not succeeded. In the absence of WRC direction, the process of nominating programs/projects and of categorizing, organizing, and ranking them varies considerably among commissions. For example, the New England Commission's

priorities excluded EPA wastewater treatment studies, plans, and construction grants while the Upper Mississippi Commission included them as a single line item. The 1979 Pacific Northwest Commission priorities report was based on and formulated by State priorities; the New England and Upper Mississippi Commissions used a regional approach. The New England Commission developed its report through the action of a Federal/State priorities committee; the Upper Mississippi Commission report was developed with member concurrence.

Priorities reports are not compatible with the funding process

The priorities reports developed by the six commissions are not compatible with the Federal funding process. As discussed earlier, water resource funding decisions, unlike priorities report recommendations, are made within a functional framework that generally does not compare the needs in one functional area with those in another. Funding decisions begin with budget requests from State agencies, move through Federal agencies' regional and national headquarters, and ultimately reach OMB and cognizant congressional committees for approval. Occasionally the process is reversed with the Congress providing the impetus for a program or project.

Priorities reports do not reflect this process but make recommendations that cut across State lines, agency responsibilities, and functional issues, such as wastewater, flood control, etc. A recent New England River Basins Commission priorities report listed 10 recommendations for implementation involving eight different Federal agencies or departments, six States, and numerous funding authorities. Other commissions make similar recommendations. In another case, the Upper Mississippi Commission's 1979 priorities report for high priority construction listed 15 projects involving four Federal agencies and four States. The projects ranged from a $50,000 Corps of Engineers plan for a small boat harbor to a $600 million EPA program for constructing wastewater treatment facilities. The wide range in project values and the fact that EPA's $600 million program consisted of numerous projects renders the priority-setting process of little value.

In commenting on the priority-setting process, a former member of the Senate Select Committee on Natural Resources said priorities of agencies, as represented in river basin commission reports, cannot be evaluated against each other in view of the committee funding process.

Decisionmakers do not use priorities reports

Decisionmakers who ultimately decide where the water resource dollars will be spent do not use the priorities reports in the decisionmaking process. Federal agency representatives and OMB officials told us they are not influenced by priorities

reports. No Federal agency official interviewed at the headquarters level regarded the existing priorities reports as useful documents for his agency. For example, an EPA official said there is no place for commission priorities to fit in because EPA's priorities grow out of State priorities. According to a Department of Agriculture official, the Federal agencies have their own priorities which are presented before Congress independently of commission input.

OMB officials stated that they do not use existing priorities reports to develop the President's budget or to identify funding levels for various Federal agencies. The current mechanism of setting priorities for different agencies' projects on a regional basis is not compatible with the OMB budget process and reflects only a portion of the Nation's water projects. At best, priorities reports are of marginal value and not very well presented. The priorities of various Federal agencies cannot be compared with each other because they are in different appropriations and committee funding processes.

FEDERAL AND STATE WATER PLANNERS HAVE NO COMMITMENT TO CONFORM TO COMMISSION AGREEMENTS

The authority of river basin commissions is vested in their Federal and State members, who have no commitment to incorporate agreements made during commission deliberations with plans or programs under consideration by their Federal and State water planning agencies. Federal and State commitment can perhaps best be illustrated by the fact that commission membership is voluntary, and Federal agency and State members often are in no position to commit or speak for that organizational component.

River basin commissions' authority comes from Federal and State members

The commissions' authority rests with their Federal and State members. While collectively members have the authority to meet the commissions' legislative objectives, they have not, however, chosen to use that authority in their commission activities. This issue was addressed in a 1975 Senate Committee on Interior and Insular Affairs report which concluded that,

> "Federal and State agencies have the authority to plan and coordinate on their own and may bypass the Commission in such activities unless there are legal or financial inducements or self-serving motivations."

The river basin commission chairmen cannot require members to coordinate with or participate in any commission planning effort. Additionally, the agreements reached by members represent a lack of objection rather than a commitment to using commission planning efforts in their agencies' budgetary decisions. As previously

noted, Federal agencies, especially EPA, do not believe that river basin commission priorities have any impact on their water quality programs.

Although commission chairmen are appointed by the President, they have no executive power over members. The chairman's only real powers apply to administrative matters such as chairing and fixing meeting dates, and managing the commission staff. Whatever real powers the commission has are exercised by its Federal and State members. The chairman's authority has come under question in the three commissions we visited. In one instance State members threatened to pull out of the commission over a dispute concerning the chairman's authority. In this case, State members drafted a letter to the chairman which specified operating parameters within which they wanted him to function.

River basin commission membership is voluntary

For the river basin commissions to be effective on a national basis, membership by all States in areas not already included in regional arrangements seems essential in order to establish priorities on federally funded water resource projects. Two years after the Water Resources Planning Act of 1965 became law, three river basin commissions were established (New England, Great Lakes, and the Pacific Northwest). The Ohio Commission was formed in 1971 with the Missouri and Upper Mississippi Commissions coming a year later. No other commissions are planned, and at one commission, State members have threatened to discontinue membership, as noted earlier. Less than half of the geographic area of the United States is under the river basin commission umbrella. (See map on p. 5.)

State members of commissions can be classified into two categories:

--Those whose boundaries are totally within the commission's jurisdiction, such as the New England States. These States look to their commissions as a potential source of guidance on water issues, funding for studies, and assistance on other water matters because the water involved is vital to State welfare.

--States such as New York which contain or touch on a portion of a river or waterway flowing into neighboring States that belong to river basin commissions. The water involved may not be vital or of primary interest to such a State, even though it belongs to the commission, and it therefore has no overriding reason to participate in or cooperate with the commission. Such States would continue to plan and implement water resource projects through the traditional State/Federal process.

There are other institutional arrangements which address regional water problems, such as the Delaware and Susquehanna River Basin Commissions. These are discussed in a GAO report entitled "Federal-Interstate Compact Commissions: Useful Mechanisms for Planning and Managing River Basin Operations" (CED-81-34, Feb. 22, 1981).

Individual representatives cannot commit or speak for agency

Many individuals representing member agencies at river basin commission meetings do not have the authority to commit or speak for the agency on any policy matter. This situation hampers commission deliberations because the representatives may be unaware of their agencies' policies on the matters under discussion.

In the New England River Basins Commission, some Federal and State agencies are often represented by lower or midlevel personnel at commission meetings and activities. For example, EPA's designated commission member is the regional administrator, and the alternate member is the chief of the Water Quality Branch. In practice, however, the agency is represented by another official in the Water Quality Branch. Similar situations also exist in some State agencies. For example, Maine's New England Commission member is the director of the State Planning Office, and the alternate member is the executive secretary of the State Land and Water Resource Council. The State is usually represented, however, by staff members in the State Planning Office. Additionally, many State representatives cannot fully participate in commission activities because they do not directly represent the Governor.

Federal and State officials involved with the Upper Mississippi Commission also described problems in this area. For example, the executive director of the Minnesota/Wisconsin Boundary Area Commission believes that there are few instances where commission representatives represent the true policies of their agencies. Corps officials agree with this position. They believe that this problem can be overcome only if the representatives will consult with superiors and then report later on the agency's position.

CHAPTER 3

CONCLUSIONS, RECOMMENDATIONS, AND AGENCY COMMENTS

CONCLUSIONS

Title II of the Water Resources Planning Act has been relatively ineffective in optimizing expenditures of Federal funds for the development and use of water resources. The legislation envisioned, subject to other existing or future arrangements, that river basin commissions would coordinate the water planning of member States and cognizant Federal agencies; develop a comprehensive, coordinated joint plan; and identify a schedule of priorities for use by the Water Resources Council. However, less than half of the United States is organized into river basin commissions. No commission that we reviewed has ever produced a meaningful CCJP; the priorities schedules represent a confused listing of studies and projects; and Federal agencies are not committed to use commission planning efforts. At best, commissions provide a limited degree of coordination, a forum for communication between States and other parties, and guidance and assistance on water issues.

The parochialism of the member States and agencies--each desiring to retain its water planning and development authority; the relatively low authority level of commission members within their parent organizations; the absence of national coverage; and the lack of guidance from the Water Resources Council have all played a part in impeding river basin commissions' effectiveness. The parochialism of member States and agencies is probably the most important of these issues.

The commission member States and agencies are reluctant to approve or authorize any commission program which will preempt traditional State or Federal agency rights and prerogatives. The Merrimack River is a good case in point. The quality and quantity of water in the river is a significant factor in the long-range economic vitality of Massachusetts and New Hampshire. If those States were to agree to allow the river basin commission to determine the quantity and the quality of water each State should receive, any subsequent allocation could have a negative impact on one of them. Neither State is willing to accept the risk, and therefore neither State commission member will vote to approve performance of the study recommended by the commission staff.

In spite of such problems, we believe the concept of river basin planning is both theoretically and conceptually sound. Because hydrologic units like river basins are not respecters of the political boundaries, disagreements occur on occasion over water use and development. As a result, a system must be devised which will allow the independent local political units to plan for and control the use of their water in ways that do not infringe

upon the rights of neighbor communities. The process of independent State and Federal agency planning with coordination between the Federal agency and the appropriate State appears to offer sufficient local control.

On the other hand, and equally important, there should be a system to allow priority ranking for Federal projects so that the administration and the Congress will know which of the many proposed water resource projects would seem to have the highest priority. We believe the priorities report called for in the act was intended to accomplish this objective. However, in this area, the present system of river basin commissions has failed to provide this priority-setting process because:

--The network of river basin commissions encompasses only half of the country and excludes priority scheduling being done in the rest of the Nation.

--Commission priorities reports fail to include all proposed Federal projects, usually do not compare projects of one Federal agency with those of other agencies, and nearly always exclude controversial projects such as the proposed Dickey-Lincoln dam in Maine.

While the concept is sound, the act as implemented has failed to accomplish its goals. We believe that several options are available, some of which could (1) bring the potential accomplishments of river basin commissions and their legislative objectives more into line and (2) solve the problems we identified as impeding the commissions' effectiveness.

--Option I. Because the river basin commissions have failed to accomplish their objectives, terminate them.

--Option II. To reflect that which they do well, limit river basin commission activities to performing basinwide studies and providing a forum where State and Federal members can coordinate their programs.

--Option III. To reflect the Federal desire to encourage the States to participate in developing State and regional water resource plans, require membership in a commission or other regional planning arrangement as a prerequisite for receiving title III planning funds. (This option can be combined with options II and IV.)

--Option IV. To reflect the Federal Government's interest in determining where the needs are greatest, require all water projects proposed in the Federal budget to contain a priorities assessment by a river basin commission, or other regional planning arrangement, and the Water Resources Council.

The success of the river basin commission concept depends on the cooperation of State and Federal members. Given the importance of water to the health and economy of the States, perhaps 15 years is a relatively short time to gain the confidence in each other that true cooperation requires. The commissions have performed the valuable function of providing and exchanging information and services among Federal and State water resource agencies. They have identified through studies basinwide water resource problems that serve as the focus for Federal, State, and local water resource activities.

Option II is probably the least controversial, reflecting closely what the commissions now do. This option would require the least amount of change and effort; it would emphasize communication and coordination rather than comprehensive planning and priority setting. We believe this option would be acceptable to Federal and State members.

Option III seems to have much appeal. The current amount of title III funds ($160,000 per State) may be enough to attract other States into forming river basin commissions or other regional arrangements. When combined with option IV, option III could become a powerful incentive for commission membership and preparation of priorities reports for Federal projects.

Option IV, requiring priorities assessments from commissions or other regional planning arrangements and the Water Resources Council on all proposed projects, could provide the needed incentive for commission membership if no Federal funds could be requested or authorized without such assessments. On the negative side, this option neglects the preparation of a CCJP, although something similar to a CCJP would probably emerge as a basis for comments on proposed projects.

We believe if the Congress desires to retain an organization to coordinate interstate water uses and provide guidance on other broad matters, river basin commissions seem worthwhile. However, we believe they can be more successful if additional changes are provided. Legislative changes are needed to (1) attain broad water resource planning input and continued State participation and (2) encourage more participation in resolving regional and national water resource problems.

RECOMMENDATIONS TO THE CONGRESS

As a means of attaining broad water resource planning input and continued State participation, we recommend that the Congress amend title III of the Water Resources Planning Act to require State membership in river basin commissions or other regional planning arrangements prior to authorization of title III funds.

Further, to encourage more participation in resolving regional and national water resource problems, we recommend that the Congress amend title II of the Water Resources Planning Act to require information regarding priorities established by river basin commissions or other regional planning arrangements be included in the appropriate Federal agencies' annual budget submissions to the Congress. Such information should (1) include a comparison of the relative priority of each project with all other water projects within the commission's or other regional arrangement's jurisdiction and (2) be required before major Federal water projects are authorized.

AGENCY COMMENTS AND OUR EVALUATION

The Department of the Interior, WRC, the Army Corps of Engineers, EPA, and five river basin commissions commented on our report. Their comments and our views are included in appendixes I-IX. The Ohio River Basin Commission did not comment.

In general, most of the agencies agreed with our overall assessment of the river basin commissions' operations and problems and supported our recommendations. For example, the chairman of the Missouri River Basin Commission wrote, "* * * I believe your analysis of strengths and weaknesses of the river basin commissions as they exist today in relation to the 1965 law to be right on target." Further, he said our options to bring the commissions more in line with their legislative objectives are viable. EPA believes the report is commendable in assessing the work of river basin commissions. EPA also stated that the role of river basin commissions needs strenghtening and supports our recommendations.

WRC, the Great Lakes Basin Commission, and the Upper Mississippi River Basin Commission expressed concern that some portions of the report seem to reflect conditions 2 or 3 years ago, especially comments made about the priorities reports. WRC, EPA, and the Great Lakes Basin Commission also expressed concern that we had not recognized recent activities of the commissions and the Water Resources Council.

With regard to some of our analyses being dated, the chairman of the Missouri River Basin Commission said that was relatively unimportant because our report captures the essence of what many people have been saying for years--the Water Resources Planning Act needs to be amended to bring it in tune with the times. For example, although WRC and some commissions referred to improvements in their priorities reports, we continue to believe that without the collective cooperation of all State and Federal participants, with each party not bound to the priority process, the reports will continue to have little impact regardless of improvements in format and publication schedules.

In addition, we are aware of the most recent efforts by WRC and the commissions to improve the quality of water resources

planning activities and believe that they are a step in the right direction, but have little impact on existing activities. For example, in January 1981, WRC issued a policy designed to provide consistency among Federal agencies for funding water projects. However, in issuing this policy WRC recognized that "* * * authority, not now present, would have to be given the WRC and River Basin Commissions through statute or Executive Order" to have a significant impact on this policy.

Similarly, WRC issued, in July 1980, Principles, Standards and Procedures for comprehensive planning. Again, these efforts require voluntary compliance and have no authoritative base. This point was noted in the WRC publication "Improving the Planning and Management of the Nation's Water Resources" which concluded that "* * * the importance of the State in comprehensive basin planning requires an agreement among the Federal and State participants * * *."

In addition, a Comprehensive Studies Task Force prepared by Ralph M. Field Associates, Inc., in January 1980, stated that the proposed consistency policy needed modification since it:

--Applies only to approved regional plans. Because the definition of approved regional plans is unclear and only a small number exist, there are many areas in which the policy has no impact.

--Does not require agencies to act, only to avoid inconsistent action.

--Applies only to specified actions by certain WRC members. At the time of our field work only three agencies had agreed to adhere to the policy. Other agencies, most notably EPA, are unwilling to comply.

--Permits inconsistent action if a member agency finds it justified.

Regarding the proposed principles and standards document, the Field study concluded:

"There is no guarantee that WRC will be successful in preparing guidelines that will be acceptable to study sponsors. RBC's specifically rejected the guidelines for use of the principles and standards that were prepared as part of the 1976 Proposed Guidelines."

In summary, the recent efforts by WRC do not affect our report position but in fact support our contention that if the Congress desires broad water resource planning, legislative changes are needed to require States to participate in commission activities and provide commission review of water projects.

The Department of the Interior stated that the administration has reviewed and evaluated the river basin commissions' statutory purpose and objectives and performance over the past several years and concluded that they do not perform any function or provide a service the States are not able to accomplish themselves. As a result, the administration, in its fiscal year 1982 budget revisions, requested no funds for river basin commissions, except for $1 million to complete the Upper Mississippi River Master Plan required by title I of Public Law 95-502.

As discussed on pages 10 through 12 and 24, the commissions have performed the valuable function of providing and exchanging planning information and services among Federal and State water resource agencies. Moreover, they have identified basinwide water resource problems that appropriate government agencies at all levels are working to solve. The member States welcome the assistance river basin commissions have provided, especially in coordination and guidance. We seriously question whether the States can accomplish this function independently. We also point out in our report that although the commissions have not met some of their legislative objectives, the concept is sound and they have the opportunity to be more successful in the future, but legislative changes are needed. (See pp. 24 and 25.) Therefore, we believe the information in this report should be useful to the Congress during its deliberations on the administration's proposal.

Where appropriate, changes have been made in the report to reflect other comments.

APPENDIX I

UNITED STATES WATER RESOURCES COUNCIL

SUITE 800 • 2120 L STREET, NW WASHINGTON, DC 20037

March 17, 1981

Mr. Henry Eschwege
Director
Community and Economic
Development Division
U.S. General Accounting Office
Washington, DC 20548

Dear Mr. Eschwege:

The staff of the Water Resources Council has reviewed the draft proposed report, River Basin Commissions Have Been Helpful, But Changes Are Needed. This report provides a useful overview of the commissions, their operations and problems, and suggests some constructive recommendations for their improvement. I would, however, recommend for your consideration several items that should be corrected and several that would strengthen the report and its recommendations.

The report does not recognize recent activities and accomplishments of the commissions and the Council regarding adoption of a Consistency Policy, adoption of procedures for Council review of river basin plans, and preparation of Principles, Standards, and Procedures for river basin (Level B) planning. I am enclosing for your use and consideration several Council publications which describe recent commission and Council activities and accomplishments. I would like in particular to call your attention to the July 2, 1980, report of the Planning Procedures and Plan Utilization Task Force which addresses many of the problems, issues, and possible solutions covered by your report. I would hope that you will consider the several additional issues critical to commission operations and successful planning discussed in this report in your final document.

[GAO NOTE: See pages 25 and 26 for a discussion of these issues.]

River basin commissions are criticized in the report for not developing meaningful schedules and priorities reports. These statements do not recognize recent accomplishments of the commissions to make their reports uniform among the commissions, to adjust their publication schedules and formats to be more useful in the Federal budget process and to brief congressional delegations to familiarize them with these priorities.

[GAO NOTE: No change. The main theme of our report is that the States and Federal agencies have not chosen to use their collective authority to meet the four objectives of the 1965 act. We believe that without collective cooperation of State and Federal agencies, priorities reports will continue to have little impact regardless of any improvements in formats, publication schedules, etc.]

The report includes several generalizations which apparently are intended to apply to all six river basin commissions although only three were examined. The report concludes, for instance, that no commission has ever produced a meaningful comprehensive, coordinated, joint plan. This would seem to be an overstatement especially since GAO's criteria for a meaningful plan are not provided.

[GAO NOTE: The criteria for a meaningful plan were provided by the director of basin planning for the New England River Basins Commission and are the same criteria which serve as the "decision point" in the commission's planning efforts. Concerning meaningful plans, as pointed out in our report, many vital questions are still unanswered after more than 15 years of experience with this planning concept. Considerable confusion remains and each commission has devised its own definitions and methodologies for developing CCJPs. (See pages 15 and 22.)]

On page i, the report states that "optimum basin planning matches the needs of water users with the amount of water available irrespective of State political boundaries or Federal agency functional responsibilities." This statement is generally untrue of regional planning and specifically inaccurate when applied to the organization and objectives of river basin commissions and interstate regional planning. Optimum basin planning can only be achieved with recognition of the objectives of the participants and the constraints imposed by existing institutions and resource limitations. The application of the draft report's limited definition of "optimum basin planning" would lead to the report's unreasonable conclusion that no meaningful plans have been produced, since, in the report's definition of a good plan, all needs would have to be met and all available water used.

[GAO NOTE: As recognized by WRC in its comments, institutional and political constraints impair optimum basin planning. We believe we presented this as a key message in our report. Moreover, our report does not lead us to the conclusion that for a plan to be adjudged as "good," all needs would have to be met and all available water used.]

While we believe the recommendations in your report have merit, we feel they are not completely responsive to the problems identified in the document, and do not address several issues critical to commission operations and institutional characteristics as discussed here and in our enclosed reports.

[GAO NOTE: We believe the issues identified in our report are, in fact, the critical issues impeding the effectiveness of river basin commissions. Organizational issues such as fragmented chain of command were beyond the scope of our review. As noted in WRC's response, the key to comprehensive planning rests with the cooperation of the States and Federal agencies, which is the thrust of our report.]

APPENDIX I

I am pleased that the report recognizes the importance of the commissions' coordination efforts since these are a most important element of the planning process. The forum provided by a river basin commission allows State, Federal, and interstate conflicts and problems to be addressed early in the planning process and provides an opportunity for their resolution before an adversary situation is established

The report's discussion of commission formation and membership presents several of the problems and limitations involved in their establishment and operation. The report should recognize further that since different regions of the country have different needs, flexibility is required in organizing for water resources planning. It may not be desirable, for instance, to have the Nation covered by identical commissions. Even if States were required to be members of river basin commissions this would not ensure their active participation.

[GAO NOTE: We agree and recognize that flexibility is required in organizing for water resource planning.]

We believe it imperative that this report reflects accurately on the commission programs, problems, opportunities, and their recent accomplishments. I would appreciate the opportunity of meeting with your staff to fully discuss our concerns.

Please call me or Mr. John Frost, Director, Regional Programs Division (254-6442) regarding these matters.

Sincerely,

Gerald D. Seinwill

Gerald D. Seinwill
Acting Director

Enclosure

[GAO NOTE: Enclosures are not included due to their length.]

APPENDIX II

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

27 MAR 1981

OFFICE OF
PLANNING AND MANAGEMENT

Mr. Henry Eschwege, Director
Community and Economic Development Division
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Eschwege:

The Environmental Protection Agency (EPA) has reviewed the General Accounting Office (GAO) draft report entitled "River Basin Commissions Have Been Helpful, But Changes Are Needed." This response addresses the draft report as a whole and its recommendations individually. Our specific comments are attached.

The EPA believes the draft report is commendable, especially in assessing the work of River Basin Commissions (RBCs). However, the two recommendations to Congress give the perspective that these are the only major changes needed to enhance the Commissions' programs. These two changes would indeed enliven the Commissions; however, other suggestions would enhance the overall program, too. We have included some of these in our specific comments.

RBCs are potentially useful planning arms and forums in which multi-state and Federal officials can exchange data and discuss policies. The role of RBCs needs strengthening and EPA believes that more aggressiveness and stronger initiatives by RBCs could be achieved if the recommended changes are initiated.

We appreciate the opportunity to comment on the draft report.

Sincerely yours,

for William Gamse

Roy N. Gamse
Acting Assistant Administrator
for Planning and Management

Enclosure

[GAO NOTE: Page and other references have been changed to agree with the final report.]

Specific Comments

1. The report does not recognize the responsibilities of Federal agencies through their membership in RBCs and the Water Resources Council (WRC) and their contribution to the planning process. GAO targets its recommendations at RBCs and States, but fails to address current obstacles to effective participation by Federal agencies in water resource planning programs under Titles I, II and III of the Water Resources Planning Act of 1965 (P.L. 89-80).

   We suggest that GAO review WRC documents entitled Improving the Planning and Management of the Nation's Water Resources, June 20, 1980, and A Revised WRC Consistency Policy, December 8, 1980. These documents address critical issues currently impeding States, RBC, and Federal agencies from meeting their mandated responsibilities under P.L. 89-80. They also offer recommendations which may be useful as GAO prepares its final report.

[GAO NOTE: Both of the above documents were reviewed and incorporated. Since the above policies are advisory and require collective cooperation by commission members, they reinforce our position that legislative changes are needed. (See pages 25-27.)]

2. The role of RBCs could be strengthened through its relationship with WRC, a situation which merits discussion in the final report. In the past, this relationship ranged from a WRC field office operation to no more than a funding mechanism relationship. Obviously, the best working relationship is somewhere in between.

   The WRC has published extensive outlines on the expectations of the Comprehensive Coordinated Joint Plan (CCJP). These publications were not well received by RBCs and, as a result, WRC appears to have been frustrated in reviewing and forwarding CJPs. Moreover, WRC has never defined their perspective nor have they defined the linkage between the National Assessment (Sec. 102a) and the continuing study programs (Sec. 102(b), 103 & 104) as fulfilled through the CCJP program. A recent RBC task force report emphasized the need for planning from the state perspective, though it overlooked the need for consistent data in reporting to WRC. Development of this information by RBCs would be meaningful. Pages 12 and 16 address this situation, though without its resolution.

[GAO NOTE: We believe that water planning should evolve from the lowest levels--namely river basins--and proceed through the State and Federal agencies. One shortfall from a planning perspective is that WRC does not seem to realize this fundamental belief. States are reluctant to have river basin commissions involved in planning and would be far more

disturbed by WRC or national involvement. For these reasons WRC guidelines have been ineffective. (See pages 12-14 for more discussion.)]

3. The next to last paragraph on page 17 appears to make an erroneous assumption. The first sentence is correct. However, the second sentence equates the annual priorities reports with a long range schedule of priorities. While it is true that RBC reports cite the "long range" section (201(b)(3)) as the authoritative source of priority listings, the reports are actually based on a request from WRC in the Principles & Standards concerning 5-year programs.

   During the developmental stages, input from WRC and OMB has been a missing link in the process of achieving stronger Commissions. If WRC, OMB, and the RBCs can develop a process for annual and budgeting reports which is meaningful, the Commissions would respond favorably.

[GAO NOTE: Comment provides additional information and does not require any changes.]

4. One issue not addressed in the draft report is the program of "level B" studies under section 209 of the Clean Water Act. An analysis of why this program did not materialize may add to the understanding of the Commissions' problems.

[GAO NOTE: While level B studies were not addressed under a separate caption, they are indeed part of our discussions. In addition to page 4, the Lake Champlain project was a level B endeavor, and the flood plain management report evolved from the level B efforts on the subject. (See pages 4, 11, and 12.)]

5. The items on page 15 reflecting EPA's evaluation need minor revisions. The $50 million estimate for planning assistance through several programs is appropriate. However, the annual expenditure for treatment plant construction grants is about $4 billion, not $12 billion, and this may be declining rapidly.

   In the fourth paragraph on page 15, it would be better to refer to the Chicago Region and not St. Paul. In the same paragraph, we suggest the present wording in the second sentence be replaced by "...mandate for water quality planning is more significant than the other issues which River..." since EPA has mandates beyond those concerning water quality. The Ohio River and Great Lakes Basin Commissions have cooperated with EPA with some success, though this has not led to EPA's willingness to promote WRC or RBCs. To date, RBCs have served as a vehicle to provide information about EPA programs, but have not influenced our programs significantly.

[GAO NOTE: Suggested changes were made.]

6. We support the two proposed recommendations to the Congress for amending Title II of P.L. 89-80.

The State membership prerequisite, as addressed in the first recommendation, would give Commissions much-needed clout to secure binding consensus and to implement plans and decisions. Too often, Commissions shy away from the very interstate or interagency conflicts which they were mandated to resolve, lest a State (or agency) withdraw or cut back funding. Clarification of the term "other regional planning arrangements" would strengthen the recommendation.

We suggest refinement of the second recommendation requiring RBC to clarify the projects and programs to be covered. "Projects" should cover direct Federal water projects, but not individual local-State wastewater treatment grants or National Pollution Discharge Elimination System (NPDES) permits under the Clean Water Act. "Programs" should cover a general statement of the relationship of a State-local program to a Commission plan; e.g., wastewater treatment or open space priorities in State Comprehensive Outdoor Recreation Plans (SCORP's) proposed for Federal/State/local funding under the Land and Water Conservation Funds.

In the second recommendation, the emphasis should be on the most important functional relationships cross-cutting several different programs, as funded through different agencies and constituencies. To be more effective, much of the actual coordination (to assuring final "consistency") should be done at the earliest project or program planning stages. In a water pollution control or other grants program, this would be among the diverse parties at the State and local levels; e.g., waste treatment facility design, flow regulation, water use allocations, and land use planning.

[GAO NOTE: We clarified the second recommendation. (See page 25.)]

APPENDIX III

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON, D.C. 20310

8 APR 1981

Mr. Henry Eschwege
Director, Community and
Economic Development Division
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Eschwege:

This is in reply to your letter of February 12, 1981, to the Secretary of the Army regarding your draft report on "River Basin Commissions Have Been Helpful, But Changes Are Needed", GAO Code 080470, OSD Case #5647. This letter basically reiterates those items of discussion at the meeting with your staff on March 10, 1981.

We object to your second recommendation on page 26, which would "require comments from river basin commissions or other regional planning arrangements be included in the appropriate Federal agencies' annual budget submissions to the Congress," including a comparison of priorities. We are concerned that the river basin commissions will not be able to furnish a meaningful comparison on "the relative priority of each project with all other water projects within the commission's jurisdiction." Without a comparable technical, economic, environmental, social and institutional evaluation of each project, the river basin commissions' priorities could be misleading to the Congress from a national point of view.

[GAO NOTE: We modified the recommendation to cover only major Federal water projects. Also, each Federal agency with a vested interest in water projects is a member of the commission protecting its interest.]

On page 14 (third paragraph) of your report, a statement (regarding commissions as coordinating bodies) attributed to the Chief of Planning Division, New England Division, Corps of Engineers, is not accurate. The New England Division has consistently viewed the river basin commissions as coordinating vehicles for Federal and State programs. This should be corrected as shown in the enclosure.

On page 14 of your report, there is a misstatement of fact and a misrepresentation of the Corps' position on the particular study discussed. The study being referred to is actually located in the St. Louis District. The Corps did not "support" the study recommendation because only one alternative was considered. This

[GAO NOTE: Suggested changes were made.]

approach is contrary to Corps planning policy and the Principles and Standards promulgated by the Water Resources Council. Our suggested rewrite is also provided in the enclosure.

Sincerely,

Edward Lee Rogers
Acting Assistant Secretary of the Army
(Civil Works)

Enclosure

[GAO NOTE: Page and other references have been changed to agree with the final report.]

APPENDIX III

Suggested Revision to Final GAO Report
"River Basin Commissions Have Been Helpful,
But Changes Are Needed"

1. Page 14, 3d paragraph, 1st sentence. This sentence should read as follows: "The Chief of the Planning Division, New England Division, Corps of Engineers, stated that the Commissions are useful forums for water planning agencies and serve as coordinating vehicles for Federal and State programs."

2. Page 14, last paragraph, last two sentences. These sentences should be replaced with the following: "According to a UMBRC official, the St. Louis District Corps of Engineers accepted one UMBRC study in principal. The study recommended a "non-structural" or a non-construction solution, but the Corps did not want it designated as one of its projects because no other alternatives had been examined."

[GAO NOTE: All suggested changes in the enclosure were made.]

APPENDIX IV

Millard W. Hall
Chairman
Warren R. Neufeld, South Dakota
Vice Chairman

Missouri River Basin Commission

Suite 403 • 10050 Regency Circle • Omaha, Nebraska 68114

"A Presidential State-Federal River Basin Commission"

February 20, 1981

Mr. Henry Eschwege
Director
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Eschwege:

Thank you for the opportunity to comment on the draft of the proposed report "River Basin Commissions Have Been Helpful, but Changes are Needed."

Based on several years of personal experience with P.L. 89-80, and especially my two and one-half years as Chairman of the Missouri River Basin Commission, I believe your analysis of strengths and weaknesses of the river basin commissions as they exist today in relation to the 1965 law to be right on target. I also consider the options for bringing river basin commissions more into line with their legislative objectives to be viable. Further, I applaud your two recommendations to the Congress for amending the Water Resources Planning Act.

I could point out some minor changes that would be appropriate in the report as the analysis was evidently done one and one-half to two years ago. However, I believe those are relatively unimportant. Certainly, you have captured the essence of what many people have been saying for at least five years--the Water Resources Planning Act needs to be amended to bring it in tune with the times. The Water Resources Council, the river basin commissions, the Federal agencies, and the States should be given the responsiblities, authorities, and incentives which will enable the commissions to carry out a most critical coordination and planning role in water resources management. In this respect, you might take note of the enclosed paper on this general subject which I first presented in January 1979.

COMMISSION MEMBERS

Colorado; Iowa; Kansas; Minnesota; Missouri; Montana; Nebraska; North Dakota; South Dakota; Wyoming; Department of Agriculture; Department of the Army; Department of Commerce; Department of Energy; Environmental Protection Agency; Federal Emergency Management Agency; Department of Health and Human Services; Department of Housing and Urban Development; Department of the Interior; Department of Transportation; Yellowstone River Compact Commission; Big Blue River Compact Administration.

APPENDIX IV

I agree with GAO that the concept of river basin planning is both theoretically and conceptually sound. However, I also concur with your analysis, that if useful plans are to be developed, there must be a reason for Federal agencies and States to pay attention to the plans and to work together in implementing them.

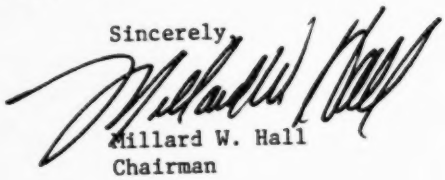
There are some questions concerning river basin commissions that are not addressed in the GAO draft report, such as, how the River Basin Commission Chairmen should be appointed, and should the act be amended to allow Indian membership, but these can be addressed later. The most urgent issue is how can the Commission mechanism itself be structured so that it will be an effective and viable regional Federal-State partnership.

[GAO NOTE: The above areas were not within the scope of work of this report.]

I urge that you finalize and distribute this report as soon as possible, so that it may be of aid in amending the Water Resources Planning Act of 1965 to make river basin commissions more responsive entities in addressing and solving urgent water problems on a nationwide basis.

Again, I was pleased to have the opportunity to comment on your draft report and trust that in final form it will be used for making positive changes in P.L. 89-80.

Sincerely,



Millard W. Hall
Chairman

MWH:ch

enclosure

[GAO NOTE: Enclosure is not included due to its length.]

APPENDIX V

Upper Mississippi River Basin Commission

March 10, 1981

Mr. Henry Eschwege
Director
U. S. General Accounting Office
Washington, D. C. 20548

Dear Mr. Eschwege:

Thank you for the opportunity to comment on your draft report, "River Basin Commissions Have Been Helpful, But Changes Are Needed." In general, we concur and fully support your recommendations to Congress for improving River Basin Commissions by amending the Water Resources Planning Act.

Although we support your recommendations, we feel that a few of your statements and conclusions are misleading or no longer appropriate. On page iii, second paragraph, we feel that your statement concerning priorities reports as a "confused listing of studies and projects" may have been true a few years ago, but no longer accurate today. Our priorities process has steadily improved since its inception five years ago, and I am confident that you would modify your statement upon inspection of our most recent priorities report.

[GAO NOTE: Although improvements in the priorities process have been made, State and Federal agencies are not bound by this process and therefore have little impact on decision-making. (See page 25.)]

The statement on page 14, referring to the St. Paul District Corps of Engineers, is in error and should be deleted (see attached letter).

[GAO NOTE: We clarified the statement.]

[GAO NOTE: Page and other references have been changed to agree with the final report.]

On page 17, first full paragraph, the draft report states that, "The UMRBC, after eight years, had a CCJP based on 14 subregion plans in draft stage." This statement is not accurate. The Commission began its CCJP development four years ago with Commission approval of a CCJP Plan of Study in 1977. The CCJP includes two regional plans (Upper Mississippi and Souris-Red-Rainy Regions) and 17 subregion plans. Formal Commission adoption of these documents is projected for FY 1982.

[GAO NOTE: Suggested change was made.]

The last sentence, 3d paragraph, page 17 is also no longer accurate. Once again, we believe that our most recent priorities report contains studies, projects, and programs which are aimed at meeting the most urgent needs of our two regions.

[GAO NOTE: We disagree. We found no link between priorities reports and State and Federal funding. To effect such a tie would require a legislative change as noted on pages 22 through 25.]

The last sentence of the first paragraph on page 18 is also misleading. The UMRBC priorities reports are developed by the Commission's CCJP-Priorities Committee, not "staff developed with member concurrence."

[GAO NOTE: We clarified the statement.]

Once again, we fully support your recommendations for improving River Basin Commissions by amending P.L. 89-80. We also urge you to finalize and distribute this report so it can be used for making positive changes in P.L. 89-80 during the current legislative session.

Sincerely,

Thomas Kalitowski

Thomas Kalitowski
Acting Chairman

cc: Brigadier General Scott B. Smith

APPENDIX VI

Great
Lakes
Basin
Commission

Lee Botts, Chairman

3475 Plymouth Road
Post Office Box 999
Ann Arbor, Michigan 48106
313/668-2300 FTS: 378:2300

March 11, 1981

Mr. Henry Eschwege
Director
Community and Economic
Development Division
U. S. General Accounting Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Eschwege:

My staff and I have reviewed your proposed draft report entitled, "River Basin Commissions Have Been Helpful, But Changes Are Needed." I have provided a copy of your report to each of our Commissioners for their review and information.

In general, portions of the report seem to reflect conditions two to three years ago, especially comments made about the priorities reports.

Specific staff comments follow:

p. 13 - "Federal Perspective" - It should be noted that certain federal agency programs are covered under the U.S. Water Resources Council's federal consistency policy (enclosed). This policy requires that those federal programs be included in river basin commission plans before they can be forwarded by the Administration to the Congress. This has caused certain agencies to work much more closely with member states in developing plans and priorities.

[GAO NOTE: As previously noted, the consistency policy is advisory, not binding on commission members, especially the States, and does not affect our report message. (See pages 25-26.)]

p. 14-15 - "U.S. Army Corps of Engineers" - The priorities process in our region is having a significant impact on budget submissions of the North Central District of the Corps. The major focus of the Commission's quarterly meeting in February 1980 and February 1981 was a federal budget briefing. Among the key questions asked by states of the federal members were (1) how did their budget submittals reflect priorities report recommendations, and (2) if there were any programs or projects for the region that were not listed in the report in their budgets. The state members are looking for accountability. Also, each year we have been receiving more and more Congressional inquiries regarding specific federal programs or projects in the priorities reports.

[GAO NOTE: Comment provides additional information and does not require any changes.]

[GAO NOTE: Page references have been changed to agree with the final report.]

p. 15 - "Environmental Protection Agency" - EPA programs are a significant part of our priorities process. Our members look at each program, decide how important it is to the region, and then rank it in the report with a recommended funding level, usually stated in terms of the national program level. For instance, the Commission does not rank individual wastewater treatment plants. Rather, the Commission as a whole looks at the region's needs for treatment plants in relationship to Great Lakes water quality goals and makes a recommendation about EPA's construction grants program in the priorities report to reflect the needed level of effort.

[GAO NOTE: Comment provides additional information and does not require any changes.]

p. 15 - "The Concept Lacks Definition" - The CCJP in our region is called the Great Lakes Basin Plan. Our planning process is aimed at Great Lakes regional issues. For each Great Lakes issue studied, strategies, policies, programs or projects may be recommended. Action may be needed from Congress, state agencies, the public, federal agencies, the private sector, or the Commission itself. For each recommendation in the plan the Commission also indicates what the next step should be and who may be best suited to take it. Our plan has progressed significantly over the last several years and, in addition to our Framework Study, includes elements on hazardous wastes, water quality, water conservation, wetlands, and coastal hazards. Major efforts in transportation and energy are ongoing.

[GAO NOTE: We agree action is needed by the Congress, State, and Federal agencies to make the concept work.]

p. 17-19 - (Priorities Reports) - The river basin commissions have been working together and have developed guidance to achieve comparability among priorities reports. The Great Lakes Basin Commission issues a full report to federal agencies and the OMB in late winter/early spring (enclosed) when federal members are working on their budgets. An updated summary is provided to the Congress in early February (enclosed) to aid in their budget deliberations. Priorities reports look at various federal water programs and trade them off in a different manner than is done by individual agencies or by the Congress. But it is this comprehensive perspective where all water programs are traded off against each other that really shows which programs are most important, without regard to the sponsoring agency.

[GAO NOTE: Projects are not traded off by the Congress because of commission priorities reports. This tradeoff is contrary to the traditional funding process discussed on page 6.]

There are also many excellent positive and negative points made in the report that are still true today. However, a number of the criticisms, some of which I have mentioned here, are not currently valid or at least do not apply across the board to all six river basin commissions.

Thank you for the opportunity to comment.

Very truly yours,

Lee Botts
Chairman

Enclosures: 1) Consistency Policy
2) FY 1982 Priorities Report
3) Summary with Updates to FY 1982 Priorities Report

[GAO NOTE: Enclosures are not included due to their length.]

APPENDIX VII

PROCTOR, PUCKETT & FAIRCLO
ATTORNEYS AT LAW
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KLAMATH FALLS, OREGON 97601

GEORGE H. PROCTOR
ROBERT D. PUCKETT
RICHARD FAIRCLO

AREA CODE 503
882-4436

February 19, 1981

Henry Eschwege, Director
United States General Accounting Office
Washington D.C. 20548

Re: "River Basin Commissions Have Been Helpful, But Changes Are Needed"

Dear Mr. Eschwege:

Thank you for sending me a copy of the proposed draft report you plan to submit to Congress. I have reviewed the same and make the following comments:

As you are aware the States have expressed concern in this regard and on January 15, 1981 Western States Water Council by Resolution urged Congress to undertake a re-examination and re-evaluation of Public Law 89-80 during the current session. As a consequence the States and the Council are developing legislative recommendations to Congress. Your proposed report highlights many of the issues and concerns. As a consequence it is timely and a basis for discussion for suggested changes in Public Law 89-80. I would note that the report should be considered within its limited scope which did not consider the individual accomplishments of the respective commissions and the relationship with the Water Resources Council.

The recommendations to Congress naturally are from a Federal perspective.

I would suggest an early release of the report so the report may be made available for prompt consideration by the Congress.

Very truly yours,

George H. Proctor

GHP/fd

cc. James E. Sexson

[GAO NOTE: George H. Proctor is the vice chairman of the Pacific Northwest River Basin Commission.]

NERBC New England River Basins Commission

141 Milk Street, Third Floor
Boston, Massachusetts 02109
Tel 617-223-6244

April 6, 1981

Mr. Henry Eschwege, Director
Community and Economic Development Division
U. S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Eschwege:

On behalf of the federal, state and interstate members of the New England River Basins Commission (NERBC), I am writing to comment on the draft of the proposed report River Basin Commissions Have Been Helpful, But Changes Are Needed, dated February 1981 and prepared by the staff of the General Accounting Office (GAO).

Each of the members of the Commission has had an opportunity to review the draft report and a number have submitted written comments which are enclosed. In addition, the report was discussed at meetings of federal and state members on March 18 and I was given guidance on responding on their behalf.

We concur with GAO's conclusions that the concept of river basin commissions is sound in that there is a continuing need to plan and manage water resources so as to "match the needs of water users with the amount of water available, irrespective of state political boundaries or federal agency functional responsibilities", and that RBCs have "made meaningful contributions toward enhancing water resource planning and development" by serving as forums for communication, coordinating interstate studies and providing guidance and assistance on addressing water issues. We are particularly pleased that NERBC's successful efforts on Lake Champlain in bringing federal and state agencies together to plan solutions to water problems and to implement those plans were cited in the report.

We also concur, generally, with the criticisms leveled at RBCs by GAO. We agree that river basin commissions:

- have not completed their assignment to produce meaningful comprehensive, coordinated, joint plans for managing water resources,
- have not in the past prepared schedules of

APPENDIX VIII

priorities which are entirely compatible with the federal funding process, and

- have not fully lived up to their mandate to be the principal coordinators of all federal, state and local water plans.

We do not agree with all the details of GAO's comments and conclusions in the draft report. The enclosed letters contain some specific responses and corrections which we ask you to consider.

I would like to concentrate, however, on reporting to you a number of changes we have instituted at NERBC since the GAO audit began. These changes, which respond in part to the criticisms noted above, include:

- reshaping and updating the New England Comprehensive, Coordinated, Joint Plan (CCJP),
- revising the annual priority-setting process,
- expanding the federal consistency policy, and
- strengthening programs for coordination and utilization of water resource plans.

Reshaping and Updating the CCJP

At the regular quarterly meeting in December 1980, the New England River Basins Commission approved a CCJP Concepts Paper, a summary of which is enclosed. The purposes of the new concepts are to reshape the CCJP so that it will be a more meaningful plan for its users, to accelerate the preparation and revision of the CCJP by additional means than occasional Level B studies, and to incorporate all elements into a single and simpler document. Work was begun in January 1981 to execute this new approach.

The Concepts Paper also incorporates some recommendations from the national Task Force on Planning Procedures and Plan Utilization which were accepted in principle by the U. S. Water Resources Council in July 1980. In particular, the Task Force recommended that state water plans be the building blocks of basin or regional water plans and that a CCJP be used as the vehicle for integrating state plans, resolving federal-state conflicts and establishing basin or regional guidelines for federal and state actions.

As part of the updating of the New England CCJP, NERBC has evaluated all of the recommended policies and actions from

previously-completed elements of the CCJP to determine whether they had been implemented, were no longer viable, or were still pertinent and should continue to be supported. A single document consolidating the viable policies and recommendations from seven CCJP reports will be published this spring. As other parts of the CCJP are completed, they will be incorporated into this document for ease of use by Commission members and others for whom actions are recommended.

Revising the Annual Priority-Setting Process

NERBC has taken the lead in working with the other five Title II river basin commissions to develop common guidelines for water resource priorities so that federal agencies and the Congress will not be faced with six disparate systems. In addition, we have continued to seek ways to make our own priorities report more compatible with the federal budget preparation and approval process. The CCJP Committee, which is NERBC's federal-state priority-setting body, approved in the summer of 1980 a major revision of our priority-setting process to include the following major steps:

- ranking of recommended projects and programs for the entire region by federal and state members, based on the most urgent water-related needs of the region regardless of jurisdiction. Candidate projects and programs are drawn principally from the CCJP, meaning that there is already a consensus on the appropriateness of the candidate. A limited number of candidates are nominated for consideration in any year by state members, thus giving the states a major say in which federally-funded actions are to be carried out that year;

- relisting of ranked priorities according to the jurisdiction of each federal agency and submission of such lists to each agency and to OMB (through the Water Resources Council) at the beginning of the budget-development process;

- relisting of ranked priorities according to the jurisdiction of Congressional appropriation subcommittees and submission of such lists to Congress at the beginning of the appropriation process.

It should be noted that the reshaped CCJP described earlier will include an investment guide which will identify the most cost-efficient strategies for developing, using and con-

serving New England's water resources and which will provide a long-range basis for annual decisions on priorities. Over time, this will also permit NERBC to recommend priorities for state and local investments as well as federal.

Finally with respect to priorities, it should also be noted that 86% of the federal programs and projects given priority by NERBC for FY 1981 were actually funded this year. While it would be presumptuous to claim that NERBC's priorities report was solely responsible for that success, it would be equally wrong to say that the consensus of federal and state members on priorities for the region had had no effect.

Expanding the Federal Consistency Policy

The U. S. Water Resources Council adopted in 1978 a policy calling for consistency of selected federal programs with regional or river basin plans (CCJPs) adopted by RBCs or other designated federal-state entities. That policy was not noted in the GAO report, probably because it did not take effect until January 1979 and there was no evidence of its effect at the time of the GAO audit.

Basically, that policy requires that officials of certain federal agencies (Corps of Engineers, Soil Conservation Service, several Interior bureaus) certify at the time of submission that their proposed budgets are not inconsistent with adopted CCJPs, if any, or explain why they are digressing from the plan.

The previously mentioned Task Force on Planning Procedures and Plan Utilization has recommended, and the Council has approved in principle, that the consistency policy be expanded to cover all major water-related programs including federal grants and permits as well as projects, but activities of an essentially local nature and modest financial impact would be omitted. It was also recommended that river basin commissions comment on the consistency and priority of proposed major federal actions through A-95, EIS and other mandated early-warning review processes rather than waiting until federal plans had been completed and submitted for funding.

The Council's original consistency policy and the Task Force's recommendations for expansion of the policy were both designed to accomplish two objectives:

- to provide the vital linkage between planning and implementation; to make it clear that preparing plans was not just to be an academic exercise, and

- to provide incentives for federal and state membership and participation in RBCs or other appropriate regional entities; for federal agencies, an incentive to make sure that their individual mandates and prerogatives were adequately considered in the planning process; for states, to ensure that state policies are considered and that appropriate federal projects are supported.

The statutory requirement that river basins commissions may adopt plans only by consensus, that is, without objection of any of its members, has been cited as a weakness. We believe it becomes a strength when viewed in the context of a consistency policy. The requirement for a consensus prevents the overriding of individual federal or state interests. The requirement for consistency with plans which have been approved by consensus assures the protection of mutual federal and state interests.

Strengthening Programs for Coordination and Utilization of Water Resources Plans

In June 1980, NERBC's staff was reorganized to establish a Plan Utilization Division for the express purpose of providing a stronger focus on coordination and implementation of plans. In part, the efforts on Lake Champlain mentioned in the GAO report provide a model for some of the new programs, including:

- A Flood Plain Management Task Force has been created to coordinate federal and state programs and to promote implementation of the Commission's flood plain management policy, an element of the CCJP.

- Workshops have been conducted and handbooks published to help New York and the New England states cope with the emerging drought situation, drawing upon water supply and conservation plans already prepared.

- Similar efforts will be instituted for other water resource functions.

GAO's Recommendations

I would like to comment briefly on GAO's two recommendations. The first, that state membership in a river basin commission be a prerequisite for Title III grants to the state, drew strong and mixed responses from our members, as can be seen in the enclosed letters.

The recommendation would do little for New England, since all states are already active participants in NERBC. As Commissioner Robert Flacke of the New York State Department of Environmentl Conservation points out, such a requirement might tend to destroy the trust and cooperation required to attain regional coordination, could cause resentment among present RBC members who participate voluntarily, and thereby be counterproductive.

For areas not covered by RBCs, GAO's objective of stimulating the creation of RBCs or other appropriate regional entities is laudable, but perhaps a carrot rather than a stick would be more acceptable. Some of the aforementioned recommendations of the Task Force, using state plans as building blocks of basin plans and establishing a strong federal consistency policy, might provide some of the needed incentives.

The second recommendation in the draft GAO report calls for a report from river basin commissions on the appropriateness and priority of proposed federal water projects to accompany federal budget submissions. This proposal also drew mixed reviews from our members. While such reports might be useful to Congress, the strengthening of the present federal consistency policy might prevent projects which are not acceptable or of low priority to a region from reaching Congress in the first place.

I call your attention to a number of other improvements suggested by our members and contained in the enclosed letters. A potential link between the improved water resource planning system described in your report and the block grant program for federal projects proposed in the Domenici-Moynihan Bill now pending before Congress might be investigated.

Your comments have been helpful to us. I hope you will find our response useful in completing your report to Congress. The planning and management of the Nation's water resources are becoming increasingly important not only to our health but to our economic vitality as well.

Sincerely,

Stephen L. Richmond

CDR. Stephen L. Richmond
Alternate Chairman

SLR/n

cc: NERBC Members and Alternates
Other Title II River Basin Commissions

Enclosures:

Comments from
Corps of Engineers
New York State
Department of Energy
Rhode Island
EPA
Merrimack River Valley
Flood Control Commission

CCJP Concepts Paper

[GAO NOTE: Enclosures are not included due to their length.]

APPENDIX IX

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

APR 6 1981

Mr. Henry Eschwege
Director
Community and Economic
Development Division
General Accounting Office
Washington, D.C. 20548

Dear Mr. Eschwege:

The Department has reviewed the draft report entitled, "River Basin Commissions Have Been Helpful, But Changes Are Needed." We offer the following comments and suggested revision.

Although the report expresses criticism of the commissions, the conclusion is that the commissions have been useful and should be strengthened by requiring State membership in commissions or other regional arrangements prior to granting Federal water planning assistance funds. Also, the commissions would be required to comment on Federal water resources agencies' appropriations and project authorization requests within their region before Congress authorizes major water projects.

The statutory purpose and objectives of the commissions as well as their performance over the past several years have been reviewed and evaluated by this Administration. We have concluded that the commissions do not perform any function or provide a service the States are not able to accomplish themselves. Therefore, no funds are being requested for FY 1982 with one exception. The Upper Mississippi River Master Plan is being continued with funding of $1 million to complete the Master Plan required by P.L. 95-502, the Inland Waterway Authorization Act of 1978.

APPENDIX IX

The Susquehanna and Delaware compact commissions are not addressed in the report. Accordingly, the title should be changed to clarify this point. It should read, "Title II River Basin Commissions Have Been Helpful, But Changes Are Needed."

Sincerely,

Deputy Assistant SECRETARY

[GAO NOTE: The Department of the Interior's position was incorporated into the report. (See pages 6 and 27.) We believe that the river basin commissions have made some meaningful contributions toward enhancing regional water resource planning and development. (See pages 10-12.) Therefore, we continue to support the position that if the Congress desires cooperation on interstate water issues and planning on a regional basis, river basin commissions provide a worthwhile alternative.]

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